

Message Text

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S/P:JEGARTEN

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TO USDEL SECRETARY IMMEDIATE

C O N F I D E N T I A L STATE 102961 TOSEC 110284

PLEASE PASS TO DEPUTY SECRETARY ROBINSON FROM POATS

E.O. 11652: GDS

TAGS: UNCTAD, UN, EAID, EGEN

SUBJECT: PROPOSED ACTION CABLE TO LDC POSTS, INFO TO OTHERS:

UNCTAD IV, NAIROBI, MAY 3-28, 1976

1. ON APRIL 22, DEPUTY SECRETARY ROBINSON TASKED IO TO TAKE THE LEAD, WITH SUPPORT FROM S/P AND EB, TO DRAFT A CABLE TO ALL CONCERNED POSTS EXPLAINING THE SIGNIFICANCE OF THE SECRETARY'S SPEECH, ITS ROLE IN THE UNCTAD FORUM, AND ITS ROLE IN GENERAL REGARDING THE NORTH/SOUTH DIALOGUE AND OUR MULTILATERAL DIPLOMACY. THIS CABLE MIGHT ALSO BE USED FOR FUTURE CONGRESSIONAL BRIEFINGS.

2. A DRAFT OF A PROPOSED CABLE FOLLOWS, CLEARED BY EB AND S/P. UPON APPROVAL CABLE WILL BE SENT IMMEDIATE TO ACTION POSTS AND PRIORITY TO INFO POSTS. REQUEST APPROVAL FOR TRANSMISSION TO POSTS AS IS OR WITH SUGGESTED CHANGES.

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TEXT INCLUDING PROPOSED ADDRESSEES FOLLOWS.

3. BEGIN TEXT.

ACTION: ABIDJAN, ABU DHABI, ACCRA, ADDIS ABABA, ALGIERS, AMMAN, ANKARA, ASUNCION, ATHENS, BAMAKO, BAKOK, BANGUI, BANJUL, BELGRADE, BLANTYRE, BOGOTA, BRAZILIA, BRIDGETOWN, BUENOS AIRES, BUJUMBURA, CAIRO, CARACAS, COLOMBO, CONAKRY, COTONOU, DACC, DAKAR, DAMASCUS, DAR ES SALAAM, DOHA, FREE-TOWN, GABORONE, GEORGETOWN, GUATEMALA, ISLAMABAD, JAKARTA, JIDDA, KABUL, KATHMANDU, KHARTOUM, KIGALI, KINGSTON, KINSHASA, KUALA LUMPUR, KUWAIT, LAGOS, LA PAZ, LIBREVILLE, LIMA, LOME, MAPUTO, LUSAKA, MANAMA, MASERU, MBABANE, MEXICO, MOGADISCIO, MONROVIA, MONTEVIDEO, MUSCAT, NAIROBI, NASSAU, N'DJAMENA, NEW DELHI, NIAMEY, NICOSIA, NOUAKCHOTT, OUAGADOUGOU, PANAMA, PORT AU PRINCE, PORT LOUIS, PORT MORESBY, PORT OF SPAIN, QUITO, RABAT, RANGOON, PARAMARIBO, SANA, SAN JOSE, SAN SALVADOR, SANTIAGO, SANTO DOMINGO, SEOUL, SINGAPORE, SUVA, TANANARIVE, TEGUCIGALPA, TEHRAN, TRIPOLI, TUNIS, VALLETTA, VIENTIANE, YAOUNDE.

INFO: ALL OECD CAPITALS, BERLIN, BUCHAREST, BUDAPEST, GENEVA, MOSCOW, PEKING, PRAGUE, PRETORIA, SOPHIA, TAIPEI, TEL AVIV, USUN NEW YORK, IAEA VIENNA, WARSAW

TAGS: UNCTAD, UN, EAID, EGEN

SUBJECT: UNCTAD IV - NAIROBI, MAY 3-28, 1976

REFS: A) STATE 96398; B) CIA INTELLIGENCE MEMO CI 76-10093, 0384-76; C) OECD PARIS 11701 (NOTAL)

I. INTRODUCTION AND INSTRUCTIONS: UN CONFERENCE ON TRADE AND DEVELOPMENT (UNCTAD), THE MAJOR UN BODY DEALING WITH THE PROBLEMS OF DEVELOPING COUNTRIES, WILL HOLD ITS FOURTH MINISTERIAL MEETING IN NAIROBI MAY 3-28. CONFERENCE COMES AT A TIME WHEN WE ARE DEEPLY ENGAGED IN AN EFFORT TO MAINTAIN A CONSTRUCTIVE AND NONCONFRONTATIONAL ATMOSPHERE IN NORTH/SOUTH RELATIONS. SECRETARY KISSINGER WILL DELIVER A MAJOR SPEECH AT THE UNCTAD PLENARY MAY 6. HIS INVOLVEMENT, THE FIRST FOR A SECRETARY OF STATE, ATTESTS CONFIDENTIAL

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TO IMPORTANCE U.S. ATTACHES TO THIS MEETING.

A. THE LDC GROUP OF 77 MET IN MANILA IN FEBRUARY TO FINALIZE POSITIONS THEY WILL PUT FORWARD IN NAIROBI. REFS A AND B PROVIDE BACKGROUND. THE INDUSTRIALIZED COUNTRIES HAVE BEEN DEVELOPING THEIR POSITIONS IN OECD FRAMEWORK (REF C) AND IN GROUP B DISCUSSIONS OF THE UNCTAD TRADE AND DEVELOPMENT BOARD.

B. DEPARTMENT OFFICERS HAVE DISCUSSED U.S. POSITION IN GENERAL TERMS WITH MOST OF OUR MAJOR EC PARTNERS, EITHER IN EUROPE OR IN WASHINGTON. WE WILL ALSO CONSULT AT THE ANNUAL U.S./EC COMMISSION CONSULTATIONS APRIL 29-30. WE HAVE ALSO MET WITH UNCTAD SECGEN COREA AND WE PLAN TO CONSULT WITH SEVERAL KEY LDCS IN WASHINGTON.

C. A VITAL PART OF OUR EFFORT TO INSURE CONSTRUCTIVE ATMOSPHERE AT UNCTAD IV WILL BE TO CONVINCE LDCS THAT WE APPROACH CONFERENCE MOTIVATED BY STRONG DETERMINATION TO CONTINUE SEEKING, IN CONCERT WITH LDCS, NEW AVENUES TO PROMOTE GROWTH AND ECONOMIC SECURITY OF DEVELOPING WORLD. WITH THIS OBJECTIVE IN MIND, AND AWARE LDC REPRESENTATIVES TO UNCTAD IV WILL BE LEAVING SOON, AMBASSADORS OF ACTION ADDRESSEES ARE REQUESTED TO PRESENT U.S. VIEWS AND OBJECTIVES AS OUTLINED BELOW TO APPROPRIATE HOST GOVERNMENT OFFICIALS AS SOON AS POSSIBLE - PREFERABLY TO FOREIGN MINISTER OR MINISTERIAL DELEGATES TO UNCTAD IV, OR TO BOTH, AS YOU JUDGE APPROPRIATE. INFO ADDRESSEES MAY, OF COURSE, DRAW UPON THIS INSTRUCTION FOR DISCUSSIONS OR SIMILAR APPROACHES TO HOST GOVERNMENT IF THEY BELIEVE THIS WOULD BE HELPFUL.

D. PRESENTATION SHOULD FOLLOW CLOSELY, THOUGH MODIFIED AS NECESSARY TO LOCAL SITUATION, TALKING POINTS IN SECTION V. SECTIONS II, III AND IV OUTLINE, FOR YOUR OWN BACKGROUND, SETTING OF UNCTAD AS SEEN BY U.S. PLUS U.S. OBJECTIVES AND STRATEGY.

E. MAIN PURPOSE OF PRESENTATION IS NOT TO OUTLINE NATURE OF PROPOSALS THAT U.S. WILL MAKE AT UNCTAD IV (WE WILL INSURE THAT SUCH PROPOSALS, AS SPELLED OUT IN DETAIL IN SECRETARY'S ADDRESS, ARE IN YOUR HANDS AS SOON AS CONFIDENTIAL

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POSSIBLE). RATHER, PURPOSE IS TO STRESS CONSTRUCTIVE SPIRIT UNDERLYING U.S. APPROACH TO UNCTAD IV AND TO FOSTER SIMILAR SPIRIT AMONG OTHERS, THEREBY MAXIMIZING POSSIBILITIES THAT NORTH/SOUTH DIALOGUE WILL CONTINUE IN CONSTRUCTIVE NONCONFRONTATIONAL ATMOSPHERE WHICH HAS PREVAILED SINCE 7TH SPECIAL SESSION OF UNGA.

II. SETTING: THE LDCS REGARD THE PLENARY OF UNCTAD, A QUADRENNIAL EVENT, AS THE MOST IMPORTANT FORUM FOR AIRING THEIR DEVELOPMENTAL PROBLEMS AND FOR PRESSING FOR MEASURES THAT WOULD HAVE THE EFFECT OF TRANSFERRING RESOURCES FROM INDUSTRIALIZED NATIONS TO THE THIRD WORLD. THEY LOOK UPON UNCTAD AS THEIR CHOSEN INSTRUMENT. WHILE UNCTAD MEMBERSHIP INCLUDES DCS AND COMMUNIST STATES, THE ORGANIZATION RETAINS ITS ORIGINAL CHARACTER AS A BODY TO PROMOTE LDC

INTERESTS.

A. UNCTAD IV IS SEEN BY THE LDCS AS ONE STAGE - BUT PERHAPS THE MOST IMPORTANT - IN AN INTENSIVE NORTH/SOUTH DIALOGUE EXTENDING FROM THE 7TH SPECIAL SESSION THROUGH CIEC, UNCTAD, THE NEXT UNGA AND THE MINISTERIAL MEETING OF CIEC. A POOR SHOWING AT UNCTAD IV WOULD BE A MAJOR SET-BACK FOR U.S. EFFORTS TO FIND POSITIVE AND CONSTRUCTIVE WAYS TO PROMOTE LDC GROWTH AND ECONOMIC SECURITY AND TO

MOVE FURTHER AWAY FROM THE PRE-7TH SPECIAL SESSION CONFRONTATIONAL NATURE OF NORTH/SOUTH RELATIONS.

B. UNCTAD IV COMES AT A SOMEWHAT SENSITIVE TIME IN THE NORTH/SOUTH DIALOGUE. WE HAVE MADE SOME PROGRESS IN IMPLEMENTING OUR 7TH SPECIAL SESSION INITIATIVES, PARTICULARLY IN THE FINANCIAL FIELD. BUT THE LDCS WILL BE PUSHING HARD IN OTHER AREAS, PARTICULARLY ON COMMODITY, TECHNOLOGY AND BALANCE OF PAYMENTS ISSUES WHERE OUR ABILITY TO MAKE RAPID PROGRESS IS CONSTRAINED.

C. LDC EXPECTATIONS WILL RISE WITH THE SECRETARY'S APPEARANCE AT UNCTAD IV AS WILL RESTIVENESS OF OECD COUNTRIES. OUR PREFERRED FORUM AT THE MOMENT, CIEC, IS IN MIDSTREAM, WITH NO CONCRETE RESULTS YET AVAILABLE. OPEC WILL BE MEETING IN LATE MAY ON OIL PRICES. THE NON-ALIGNED
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CONFERENCE SCHEDULED FOR AUGUST IN COLOMBO MAY HIGHLIGHT ECONOMIC ISSUES AND THERE WILL BE SOME EFFORT TO SOLIDIFY THE LDC GROUP BEHIND EXTREME LDC DEMANDS. SOME WILL PRESS FOR A RETURN TO CONFRONTATION.

D. THE FUTURE ROLE OF UNCTAD WILL BE UNDER DISCUSSION AT NAIROBI. OUR TONE AND POSTURE AT UNCTAD AND OUR SUGGESTIONS ON WHERE SUBSTANTIVE ISSUES SHOULD BE DISCUSSED OVER THE NEXT YEAR OF THE DIALOGUE WILL INFLUENCE THIS DEBATE.

E. THE LDC POSITION HAS BEEN SOLIDIFIED IN THE MANILA DECLARATION AND PLAN OF ACTION (REF B). LDC SOLIDARITY IS REASONABLY STRONG ON THE SUBSTANTIVE ISSUES BUT LDCS MAY HAVE VARYING VIEWS ON INSTITUTIONAL QUESTIONS, SUCH AS CIEC AND UNCTAD AND THEIR RELATIONSHIP. EVEN ON SUBSTANTIVE MATTERS THERE ARE DIFFERENCES IN EMPHASIS. THE AFRICANS PLACE THE HIGHEST PRIORITY ON COMMODITIES, THE MSAS (PARTICULARLY SOUTH ASIANS) ON DEPT, AND THE LATINOS ON TRANSFER OF TECHNOLOGY.

III. OBJECTIVES: OUR OBJECTIVES AT UNCTAD IV ARE:

-- TO CONTINUE TO DEMONSTRATE THAT THE U.S. RECOGNIZES THE REALITY OF INTERDEPENDENCE AND THAT IT WILL TAKE THE LEAD IN THE SEARCH FOR CONSTRUCTIVE AND EFFECTIVE WAYS OF IMPROVING THE FUNCTIONING OF THE WORLD ECONOMY AND TO CONVINCE THE DEVELOPING WORLD THAT THEY HAVE A STAKE IN THIS OBJECTIVE;

-- TO MAINTAIN A POLITICAL ATMOSPHERE IN WHICH DC AND LDC GOVERNMENTS CAN COOPERATE EFFECTIVELY IN AREAS OF MUTUAL INTEREST AND IN WHICH LDCS BELIEVE

THEY HAVE MORE TO GAIN FROM COOPERATION THAN CONFRONTATION;

-- TO MAINTAIN U.S. LEADERSHIP IN THE NORTH/SOUTH DIALOGUE BY CONTINUING TO PROPOSE AND SHAPE PRAGMATIC AND CONSTRUCTIVE SOLUTIONS TO PRIORITY -DC PROBLEMS;

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-- TO STRENGTHEN THE HAND OF THE MORE MODERATE LDCS AMONG THE G-77 GROUP BY CONTINUING TO PROPOSE U.S. PROGRAMS WHICH ALLOW THEM TO POINT TO PROGRESS IN NORTH/SOUTH DISCUSSIONS;

-- TO MAINTAIN INDUSTRIAL COUNTRIES' UNITY IN THE DIALOGUE;

-- TO MAXIMIZE SUPPORT FOR THOSE APPROACHES TO ECONOMIC POLICY AND ORGANIZATION WHICH WILL FURTHER U.S. NATIONAL INTERESTS, SUCH AS ESTABLISHING MECHANISMS TO FACILITATE THE ROLE OF PRIVATE ENTERPRISE ON TERMS FAIR TO ALL PARTIES;

-- TO AVOID ANY ACTIONS WHICH WOULD UNDERMINE EXISTING EFFECTIVE INTERNATIONAL ORGANIZATIONS SUCH AS THE IBRD, IMF, AND GATT, AND TO STEER AS MUCH FOLLOW-UP ACTION AS POSSIBLE TO FORUMS WE PREFER, INCLUDING PARTICULARLY THE CIEC;

-- TO REINFORCE THE VIEW THAT LDC LEADERSHIP BEARS RESPONSIBILITY, ALONG WITH THE DEVELOPING WORLD, FOR ACHIEVING MUTUALLY BENEFICIAL WORLD DEVELOPMENT.

IV. STRATEGY: WE WILL ENDEAVOR AT NAIROBI TO MAINTAIN THE PROGRAM ADOPTED AT THE 7TH SPECIAL SESSION AS A CENTRAL BASE. WE ARE WILLING TO EXAMINE SERIOUSLY ANY APPROACHES, EVEN IF THEY HAVE BEEN UNACCEPTABLE IN THE PAST. WE WANT

OTHERS TO RECOGNIZE, HOWEVER, THAT MAXIMUM PROGRESS CAN BE ACHIEVED BY BUILDING ON THE AREAS OF CONSENSUS ESTABLISHED AT THE SPECIAL SESSION. WE WILL EMPHASIZE THAT THE WORK OF THE PAST HALF-YEAR DEMONSTRATES THAT MEANINGFUL AGREEMENT BASED ON THE COMPREHENSIVE APPROACHES OF THE 7TH SPECIAL SESSION WAS SUBSTANTIAL AND THAT WE ARE LAYING THE FOUNDATION OF SECURE GROWTH RATHER THAN ADOPTING TEMPORARY EXPEDIENTS. TO RETAIN OUR LEADERSHIP WE WILL PRESENT SOME NEW INITIATIVES CONCENTRATING -ON AREAS OF PRINCIPAL CONCERN TO THE LDCS -- COMMODITIES, TECHNOLOGY AND BALANCE OF PAYMENTS PROBLEMS. WE WILL STRESS THAT WE ARE SEEKING A POSITIVE ALTERNATIVE TO CONFRONTATION TO HEIGHTEN THE CONFIDENTIAL

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PERCEPTION, PARTICULARLY AMONG MODERATE LDCS, THAT THERE IS

MUCH TO BE GAINED THROUGH NEGOTIATION LEADING TO MUTUAL BENEFITS.

V. TALKING POINTS:

-- OUR GOAL IN THE NORTH/SOUTH DIALOGUE SINCE THE 7TH SPECIAL SESSION OF THE UNGA HAS BEEN TO BUILD AN INTERNATIONAL SYSTEM OF COOPERATION BASED ON MUTUAL BENEFIT TO BOTH THE LDCS AND DCS WHICH WILL FACILITATE LDC ECONOMIC SECURITY AND GROWTH.

-- WE REGARD UNCTAD IV AS AN OPPORTUNITY TO CONTINUE AND TO REINFORCE THIS PROCESS AND TO ENLARGE OUR AREAS OF AGREEMENT WITH LDCS.

-- THE FACT THAT SECRETARY KISSINGER IS ATTENDING UNCTAD IV, THE FIRST TIME FOR A SECRETARY OF STATE, AND WILL DELIVER A SPEECH THERE, ATTESTS THE IMPORTANCE IN WHICH WE ATTACH TO UNCTAD AS A MAJOR BODY TO DEAL WITH WORLD ECONOMIC PROBLEMS.

-- A FAILURE AT UNCTAD IV WOULD BE A MAJOR SETBACK TO OUR MUTUAL EFFORTS TO FIND POSITIVE AND CONSTRUCTIVE WAYS TO PROMOTE LDC GROWTH AND TO MOVE FURTHER AWAY FROM THE PRE-7TH SPECIAL SESSION CONFRONTATION.

-- WE BELIEVE WE HAVE MADE CONSIDERABLE PROGRESS IN IMPLEMENTING SECRETARY KISSINGER'S 7TH SPECIAL SESSION INITIATIVES, PARTICULARLY IN THE FINANCIAL FIELD.

-- WE REALIZE THAT THE LDCS ARE SERIOUSLY CONCERNED ABOUT PROGRESS IN THE FIELDS OF COMMODITIES, TECHNOLOGY AND BALANCE OF PAYMENTS AND WE WILL PRESENT CONSTRUCTIVE PROPOSALS WHICH DEAL WITH THESE ISSUES.

-- IN COMMODITIES, OUR PROPOSALS WILL BE ADDRESSED TO:

(A) FACILITATING INVESTMENT FOR THE PRODUCTION OF BASIC COMMODITIES, AND TO ASSURANCE OF THE EQUITABLE SHARING OF THE BENEFITS FROM SUCH INVESTMENTS BY PRODUCING COUNTRIES;
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(B) ESTABLISHMENT OF A DEFINITE TIMETABLE FOR PRODUCER/ CONSUMER MEETINGS ON COMMODITIES OF PRIORITY INTEREST TO THE LDCS; (C) THE FINANCING OF BUFFER STOCKS WHERE IT IS DETERMINED THAT THEY ARE APPROPRIATE FOR THE PARTICULAR COMMODITY CONCERNED; (D) FURTHER PROGRESS IN TRADE NEGOTIATIONS IN BOTH THE AREAS OF MARKET ACCESS AND SUPPLY ACCESS; AND (E) DISCUSSION OF THE OPERATION OF COMPENSATORY FINANCING SYSTEMS FOR SHORTFALLS IN EARNINGS FROM COMMODITY EXPORTS.

(FYI. THE MOST DIFFICULT ISSUE AT UNCTAD IV WILL BE COMMODITIES. UNCTAD'S PROPOSAL FOR AN "INTEGRATED PROGRAM FOR COMMODITIES TRADE# HAS BEEN ENDORSED BY THE G-77 AND IS CONSIDERED BY THEM TO BE THE CRITICAL AGENDA ITEM. IT GREW OUT OF THE LDC BELIEF THAT CURRENT MECHANISMS FOR COMMODITIES TRADE ARE INHERENTLY UNFAIR AND NEW PATTERNS SHOULD BE ADOPTED TO COMPENSATE FOR LONG-STANDING INEQUITIES. ITS KEY PROPOSAL IS THE CREATION OF A COMMON FUND TO FINANCE STOCKPILES SET UP UNDER INTERNATIONAL COMMODITY AGREEMENTS TO HELP STABILIZE PRICES AND SUPPLIES OF A WIDE RANGE OF COMMODITIES. THE U.S. CONTINUES TO OPPOSE THE COMMON FUND CONCEPT AND TO ADVOCATE A CASE BY CASE APPROACH. END FYI.)

-- WE RECOGNIZE THE LDC CONCERN ABOUT DEBT BURDENS WHICH WE BELIEVE TO BE BUT ONE ELEMENT IN THE OVERALL BALANCE OF PAYMENTS PROBLEM WHICH CAN BE BEST MET BY EXPANDING FINANCIAL RESOURCES FOR SHORT TERM BALANCE OF PAYMENTS PROBLEMS AND THROUGH A CASE BY CASE APPROACH TO DEBT RESCHEDULING WHERE THE NEED IS DEMONSTRATED.

(FYI. THE LDCS WILL BE SEEKING A MORATORIUM ON REPAYMENTS OF OFFICIAL DEBT, A NEW INSTITUTION TO REFINANCE OUTSTANDING COMMERCIAL DEBT OBLIGATIONS, AND GREATER RESOURCE TRANSFERS TO THEM. COUNTRIES WITH CURRENT ACCESS TO THE PRIVATE CAPITAL MARKET, HOWEVER, WILL BE CONCERNED ABOUT THE IMPACT OF SUCH MEASURES ON THEIR ABILITY TO BORROW ON THIS MARKET. OUR OBJECTIVE IS TO DEMONSTRATE THAT THE DEBT FINANCING PROBLEM IS BUT ONE ELEMENT OF THE BALANCE OF PAYMENTS PROBLEM, TO DEMONSTRATE PROGRESS TO DATE IN EXPANDING FINANCIAL RESOURCES FOR SHORT TERM
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BALANCE OF PAYMENTS PROBLEMS, AND TO GAIN ACCEPTANCE OF OUR CASE BY CASE APPROACH TO DEBT RESCHEDULING NEGOTIATIONS. END FYI.)

-- RECOGNIZING LDC CONCERN FOR EASIER AND MORE FAVORABLE ACCESS TO TECHNOLOGY, WE WILL PRESENT A SIX-POINT PROGRAM WITH PROPOSALS ADDRESSED TO IMPROVING RESEARCH, TRAINING, ADAPTATION OF TECHNOLOGY, DIFFUSION OF INFORMATION, TECHNICAL ADVICE AND SERVICES, AND PRIVATE INVESTMENT AND LICENSING.

(FYI. TECHNOLOGY TRANSFER IS A TOP LDC PRIORITY AT UNCTAD IV. THE LDCS WANT EASIER AND MORE FAVORABLE ACCESS TO TECHNOLOGY THROUGH A MANDATORY CODE WHICH WOULD REQUIRE HEAVY GOVERNMENTAL REGULATION OF THE TERMS AND CONDITIONS OF TECHNOLOGY TRANSFER. THEY ALSO DESIRE PROGRAMS TO INCREASE THEIR TECHNOLOGICAL CAPABILITY AND TO REFORM NATIONAL AND INTERNATIONAL PATENT SYSTEMS. END FYI.)

-- WHILE ENDEAVORING TO BUILD ON THE PROGRESS MADE IN NORTH/SOUTH COOPERATION BY THE PROGRAM ADOPTED AT THE 7TH SPECIAL SESSION, WE ARE WILLING TO EXAMINE IN SERIOUS FASHION ANY APPROACHES, EVEN IF THEY HAVE BEEN UNACCEPTABLE IN THE PAST. EQUALLY, WE HOPE OTHERS WILL RECOGNIZE THAT MAXIMUM PROGRESS CAN BE ACHIEVED THROUGH BUILDING ON THE AREAS OF CONSENSUS ESTABLISHED AT THE 7TH SPECIAL SESSION, RATHER THAN PUSHING CONTENTIOUS ISSUES WHERE AGREEMENT IS NOT NOW POSSIBLE.

-- THE U.S. IS TRYING TO MAINTAIN THE MOMENTUM OF THE NORTH/SOUTH DIALOGUE BUT TO BE A TRULY RECIPROCAL PROCESS, THE INTERESTS OF THE DEVELOPED COUNTRIES IN SUCH MATTERS AS BETTER TREATMENT FOR INVESTMENT AND REASONABLE OIL PRICES MUST BE RECOGNIZED AS WELL AS THE INTERESTS OF THE LDCS.

-- AT UNCTAD IV THE U.S. WILL SEEK TO ENLARGE THE AREA OF GENUINE CONSENSUS AND TO PROMOTE PRACTICAL MEASURES OF MUTUAL BENEFIT. IT IS PREPARED TO OFFER RESOURCES, SKILLS AND DEDICATION TO EXPANDING THE GLOBAL ECONOMY FOR THE BENEFIT OF ALL NATIONS AND OPEN UP

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OPPORTUNITIES FOR DEVELOPING NATIONS FOR A JUST SHARE IN GLOBAL GROWTH.

-- WE HOPE THAT YOUR GOVERNMENT WILL APPROACH UNCTAD IN THE SAME SPIRIT OF COOPERATION THAT WE DO AND THAT YOUR DELEGATION WILL BE INSTRUCTED TO WORK CLOSELY WITH THE U.S. DELEGATION ON THE COMPLEX AND MOMENTOUS TASKS AT NAIROBI TO INSURE CONCRETE ACCOMPLISHMENTS.

-- WE BELIEVE THAT THE NAIROBI MEETING WILL BE A TEST OF OUR ABILITY TO USE ALL OUR INTERNATIONAL INSTITUTIONS, INCLUDING UNCTAD, TO ESTABLISH A GLOBAL SYSTEM OF COOPERATION, OR WHETHER THESE INSTITUTIONS WILL BE SEEN AS IRRELEVANT AND DISCREDITED BECAUSE THEY BECOME MERELY BATTLEFIELDS OF OPPOSING RHETORIC OR TESTS OF ECONOMIC STRENGTH.

VI. REPORTING: WE WILL BE ANXIOUS TO KNOW PROMPTLY, IN BROAD TERMS, RESULTS OF YOUR PRESENTATIONS - IN PARTICULAR WHETHER THEY PRODUCE NEW INFORMATION ON ATTITUDES/ PLANS OF HOST GOVERNMENT TOWARD UNCTAD IV AND USG APPROACH THERETO. REPORTS OF YOUR PRESENTATIONS SHOULD BE REPEATED TO NAIROBI, USUN, AND US MISSION GENEVA. END TEXT. SISCO

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